



INTERNATIONAL
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Jobs Supported by Export Destination 2014

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Executive Summary

In 2014, almost 3.2 million jobs (44 percent of jobs supported by goods exports) were supported by the export of goods to our current FTA partners. Between 2009 and 2014, the number of jobs supported by goods exports to FTA partners grew by over 800,000¹, while jobs supported by goods exports to the countries participating in the Trans-Pacific Partnership (TPP) negotiations (including those currently having FTAs with the U.S.) grew by over 500,000.

In addition, goods and services exports to Canada, China, EU, Japan, and Mexico supported over 7 million jobs (60 percent of all jobs supported by exports) in 2014. Since 2009, jobs supported by U.S. exports of goods and services to Canada grew by 232,000; China grew by 347,000; EU grew by 86,000; and Mexico grew by 291,000.

Introduction

In March of 2015, the International Trade Administration reported an estimated 11.7 million jobs were supported by exports in 2014.² This paper decomposes these previous results into jobs supported by exports to specific country and regional destinations. The decomposition is performed separately for goods exports and services exports. Total jobs supported to each destination are a summation of the separately calculated jobs supported by goods and services exports. The complete set of results for jobs supported by destination can be found at <http://www.trade.gov/mas/ian/employment/index.asp>.

Methodology

Three different approaches to estimating the number of jobs supported by exports to specified destinations are employed in this paper.³ For the 2014 estimates of jobs supported by goods exports, we assume that each commodity's portion of the 7.1 million jobs supported by goods exports is unchanged from that commodity's share of jobs supported in 2013. The number of jobs supported by the export of a commodity to a destination is then calculated by multiplying

¹ Increase includes addition of new FTA partners during this period.

² Rasmussen & Johnson, 2015, "Jobs Supported by Exports 2014: An Update." U.S. Department of Commerce, International Trade Administration, Washington, DC. <http://www.trade.gov/mas/ian/employment/index.asp>

³ The different approaches are necessitated by the different approaches used to estimate jobs supported by exports nationally for 1999-2013 as opposed to 2014 and by the lack of detailed services export data by destination.

the total number of jobs supported by all U.S. exports of that commodity by the share of the total exports of that commodity that go to that destination. We then sum over all commodities to arrive at the total number of jobs supported by goods exports to that particular destination.

For the 1999-2013 time period, annual shares of domestic goods exports statistics detailed by destination and commodity are applied to commodity-specific annual jobs supported numbers derived using an Input-Output approach. The country by commodity jobs supported by goods exports are then aggregated for each country to provide an estimate of total jobs supported by goods exports by destination.⁴

Because of the limited availability of data on U.S. Trade in Services by Country and by Type of Service, jobs supported by the export of services to a given destination are estimated differently from jobs supported by goods exports. For each of the years 1999-2014, a destination's share of total U.S. service exports is applied to the total jobs supported by services exports.

Jobs Supported by Goods Exports

U.S. exports of merchandise to individual destinations are available from the U.S. Census Bureau. In 2014, of the 7.1 million jobs supported by goods exports to the world, goods exports to Canada supported the greatest number of U.S. jobs followed by Mexico, China, Japan and United Kingdom. The 15 destinations for U.S. goods exports that supported the greatest number of jobs accounted for over 5 million, or over 70 percent, of jobs supported by goods exports. The 15 goods export destinations that supported the greatest number of jobs are presented in Figure 1.

⁴ This approach is superior to the aggregate export share decomposition approach used previously because it allows the jobs supported by exports estimates to reflect changes in the goods composition of exports to each individual destination.

Figure 1: Top 15 Destinations, Jobs Supported by Goods Exports in 2014

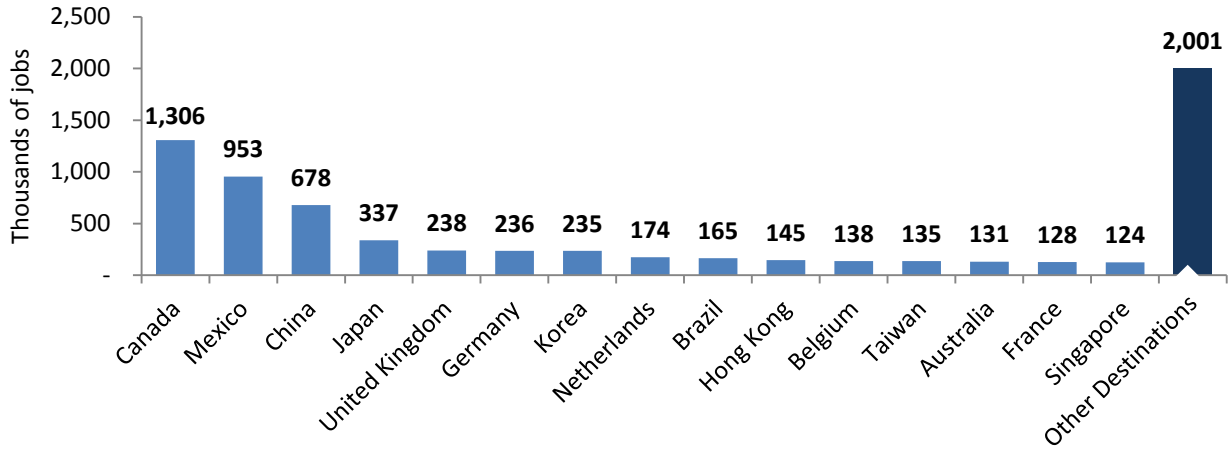
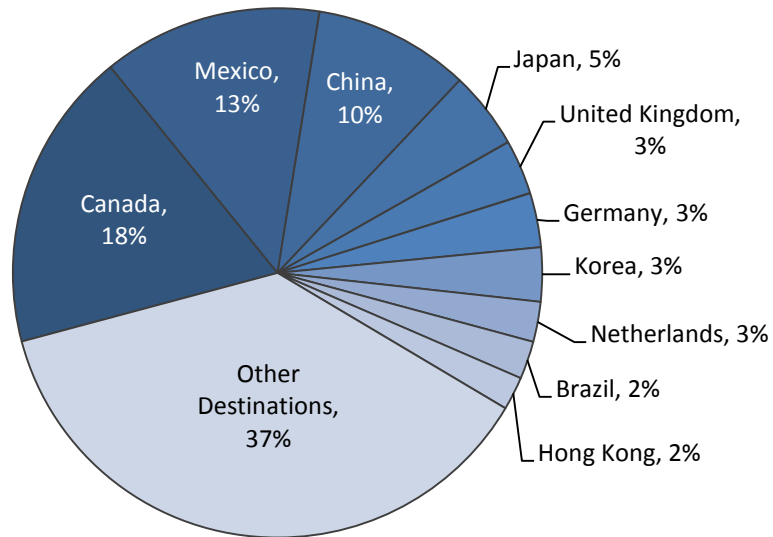
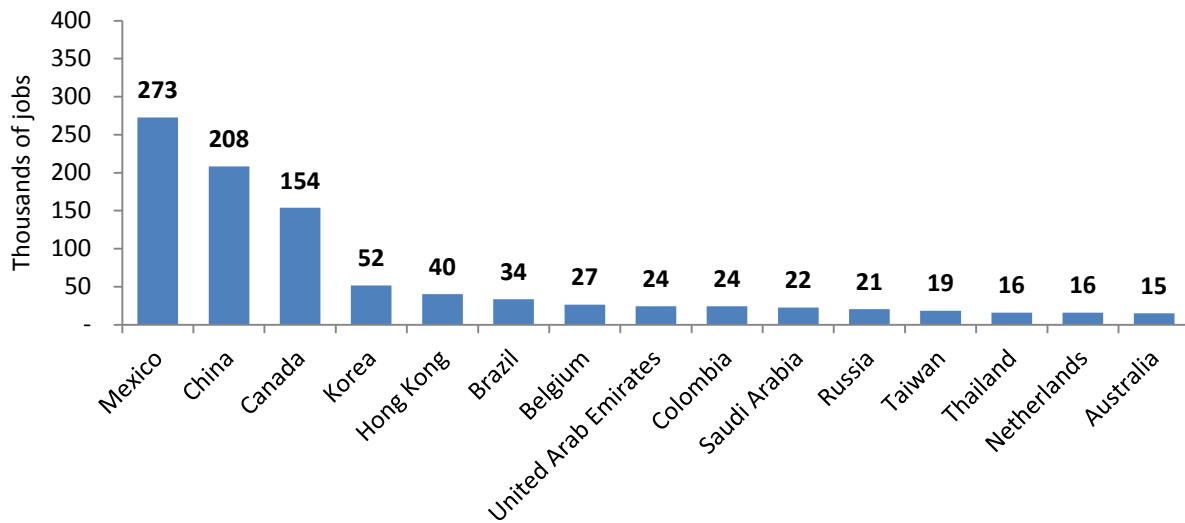


Chart 1: 2014 Shares of Jobs Supported by U.S. Goods Exports by Destination



The estimates available for the first time with the release of this publication allow the composition of jobs supported by goods export destinations to be compared over time. From 2009-2014, the largest increases in jobs supported by goods exports were associated with exports to Mexico (273,000), China (208,000) and Canada (154,000). The 15 destinations associated with the largest increases in the number of jobs supported are presented in Figure 2.

Figure 2: Largest Increases in Jobs Supported by Goods Exports, 2009-2014



Jobs Supported by Service Exports

The Bureau of Economic Analysis publishes service export data for 21 individual destinations for the latest available full data year, 2014, as well as export data to 35 individual destinations for 1999-2013. Service exports to the United Kingdom supported the greatest number of jobs in 2014, followed by the Canada, Japan, China and Mexico.⁵ Exports to the top 15 markets for U.S. service exports supported over 2.7 million jobs (60 percent of all jobs supported by service exports.) Jobs supported by service exports to the top 15 destinations for which 2014 service export data are available are presented in Figure 3.

⁵ In the aforementioned “Jobs Supported by Exports 2014: An Update,” An estimated 4.6 million jobs were supported by services in 2014. Services exports to the 21 individual destinations for which 2014 data are available total less than \$469 billion, or about 66% of all U.S. services exports.

Figure 3: Top 15 Destinations, Jobs Supported by Services Exports in 2014

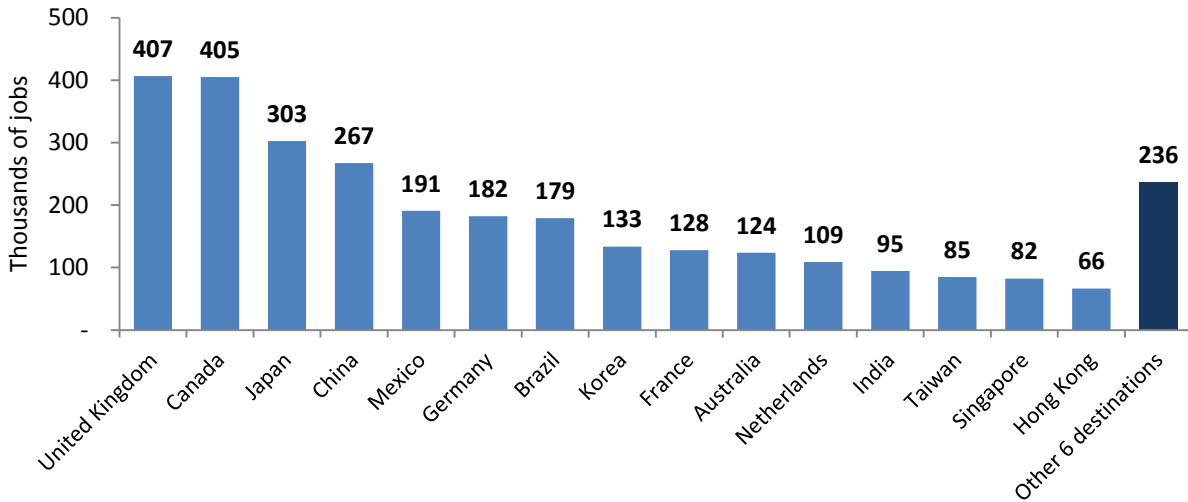
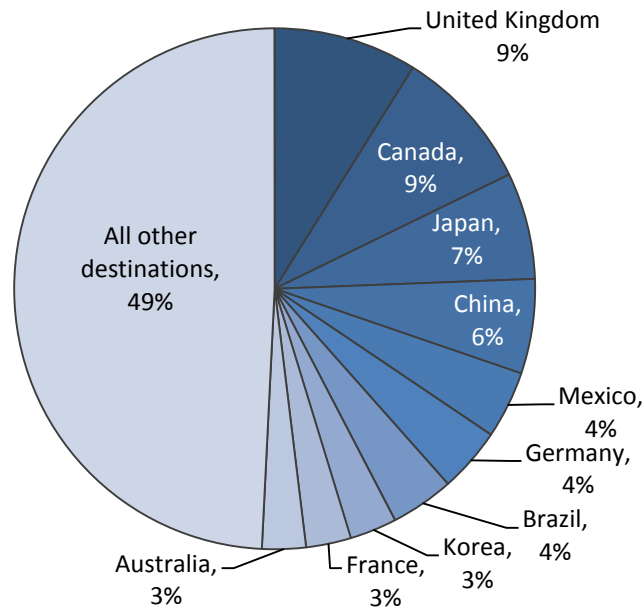
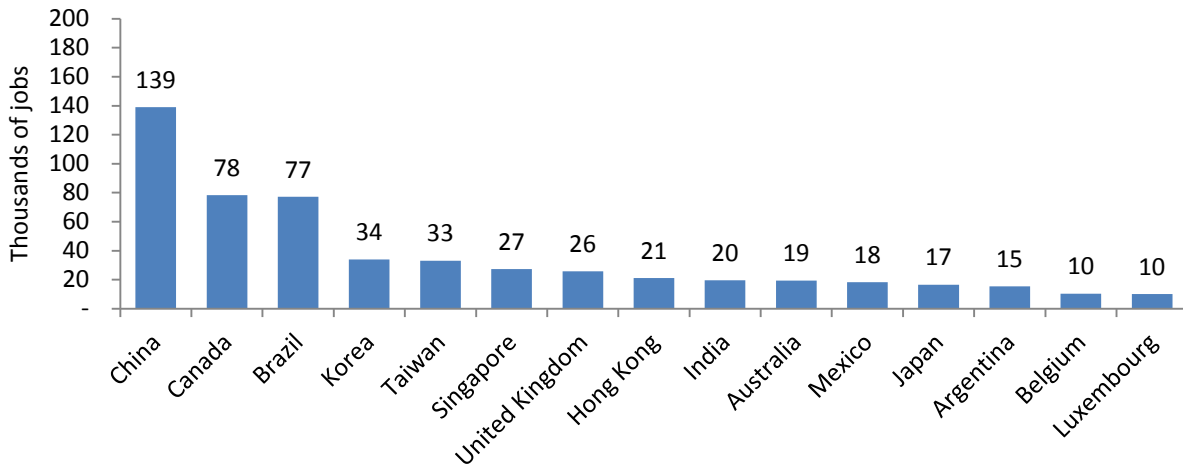


Chart 2: 2014 Shares of Jobs Supported by U.S. Services Exports by Destination



Comparing 2009 to 2014 for those countries for which 2014 results are available, the largest increases over the time period in the number of jobs supported by services exports were supported by exports to China, followed by Canada, Brazil, Korea and Taiwan. The 15 destinations associated with the largest increases in the number of jobs supported are presented in Figure 4.

Figure 4: Largest Increases in Jobs Supported by Services Exports, 2009-2014



Jobs Supported by Total Exports (Goods and Services)

Exports to Canada supported the greatest number of jobs in 2014, 1.7 million; followed by Mexico, 1.1 million; China 945,000; the United Kingdom 645,000; and Japan 640,000. Exports to the top 15 markets supporting the greatest number of jobs, presented in Figure 5, supported over 7.8 million jobs (almost 67 percent of all jobs supported by exports.)

Figure 5: Top 15 Destinations, Jobs Supported by Total (U.S. Goods and Services) Exports in 2014

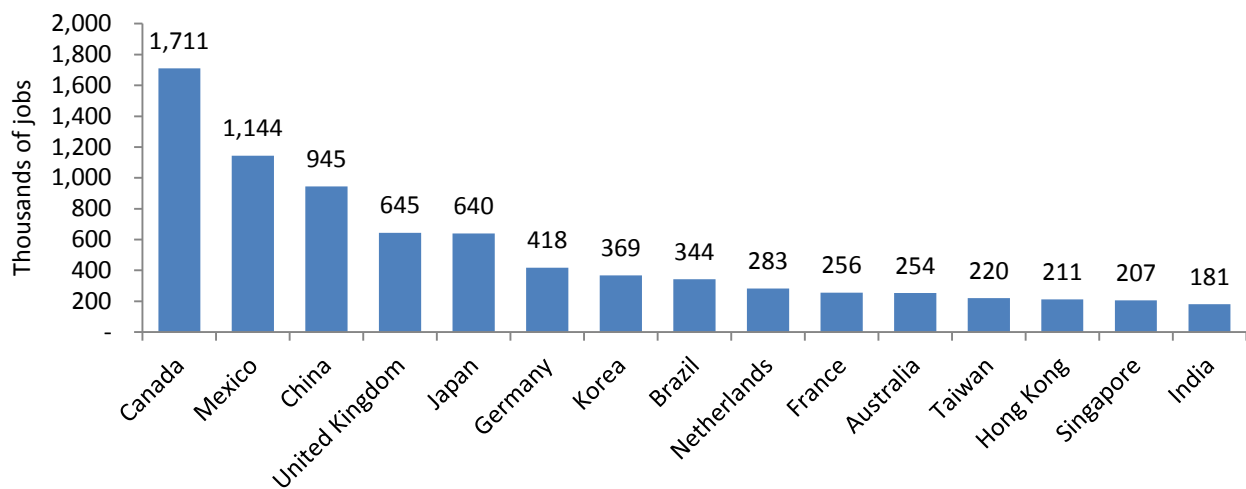
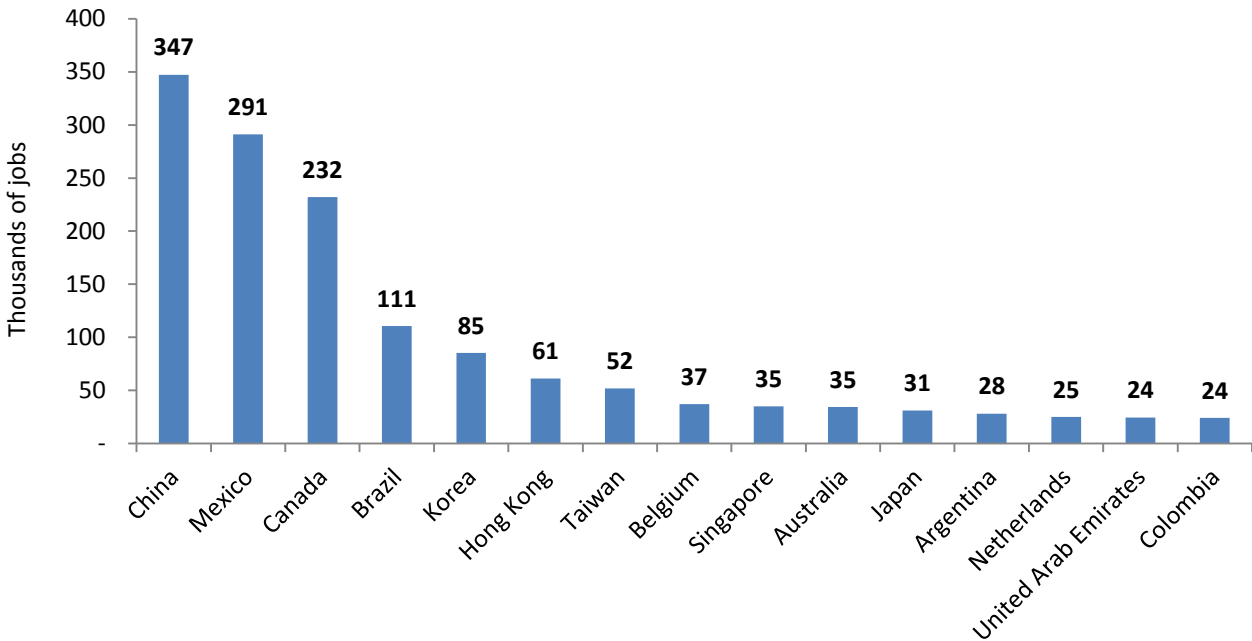


Figure 6: Largest Increases in Jobs Supported by Total (U.S. Goods and Services) Exports, 2009-2014



Jobs Supported by Regional Exports

The numbers of jobs supported by exports to geographic regions and/or trading blocs can be computed by summation of the individual jobs supported numbers (in the case of merchandise supported jobs) or by incorporation of BEA’s preexisting aggregations (such as Africa and the Middle East) contained in their service export data.⁶ Regional aggregation detail is subject to the availability of BEA services export data. Table 1 presents jobs supported by exports for selected aggregations. For example, total exports to the EU supported over 2.6 million jobs (22 percent of total jobs supported) in 2014, of which goods exports supported over 1.2 million jobs (17 percent of all jobs supported by goods exports), and services exports to the EU supported 1.4 million jobs (31 percent of all jobs supported by the export of services).

Total exports to our NAFTA partners Canada and Mexico, supported over 2.8 million jobs (1.7 million by exports to Canada and 1.1 million by exports to Mexico) which represents 24 percent of all jobs supported by exports in 2014. Goods exports to Canada and Mexico supported almost 32 percent of all jobs supported by goods exports, while services exports to NAFTA accounted for 13 percent of all jobs supported by services exports.

⁶ We do not include Mexico in the South and Central America region.

Table 1: Changes in Jobs Supported by Total Exports to Select Regions

Region	Jobs Supported 2014	Jobs Supported 2009	Change
Africa	280,034	246,586	33,448
EU	2,623,486	2,537,120	86,365
Middle East	504,004	443,925	60,079
NAFTA	2,854,481	2,331,272	523,209
South and Central America	679,801	526,101	153,700

Table 2 provides a breakout of jobs supported by goods exports to the proposed membership of the Trans-Pacific Partnership (TPP). Goods exports to these countries supported almost 3.1 million (43 percent) of all jobs supported by goods exports in 2014, over one-half of which were supported by exports to NAFTA. Of the almost 3.1 million jobs supported by goods exports to the TPP membership, 85 percent were to countries that are current signatories to a FTA with the United States. While NAFTA partners Canada and Mexico represent the largest portion of U.S. jobs supported by exports among TPP member countries, goods exports to the five new potential FTA partners (Brunei, Japan, Malaysia, New Zealand and Vietnam) supported almost 460,000 jobs in 2014.

Table 2: Jobs Supported by Goods Exports to the TPP

Country	Jobs Supported 2014	Jobs Supported 2009	Change
Australia *	130,703	115,650	15,053
Brunei	2,809	616	2,193
Canada *	1,305,588	1,151,788	153,799
Chile *	62,531	49,191	13,340
Japan	337,067	322,449	14,618
Malaysia	61,096	59,995	1,101
Mexico *	952,849	680,055	272,794
New Zealand	20,524	12,599	7,925
Peru *	39,606	26,797	12,809
Singapore *	124,181	116,668	7,513
Vietnam	33,610	23,455	10,155
Total	3,070,564	2,559,263	511,301

* Member of a current FTA with the U.S.

Available data for services exports to individual TPP countries in 2014 is limited to Australia, Canada, Japan, Mexico and Singapore. We estimate that services exports to those five countries supported over 1.1 million jobs in 2014, an increase of 160,000 since 2009.

Table 3 provides jobs supported by goods exports to all our FTA partners for 2009 through 2014. Since 2009, jobs supported by goods exports to our FTA partners have grown by over 800,000⁷, of which jobs supported by exports to our NAFTA partners have grown by over 400,000 (from 1.8 million to nearly 2.3 million.) The nearly 3.2 million jobs supported by goods exports to all U.S. FTA partners in 2014 represents 44 percent of all jobs supported by goods exports.

Jobs Supported by Export Destination Recommended Use

All individual export destination jobs estimates can be summed to produce any unique grouping of jobs supported by export destination. However, when aggregating destinations, it is important to note that because of the lack of available services data (only 21 individual destinations available at the time of publication for 2014 and 35 individual destinations for 1999-2013) the number of total jobs supported by exports to certain regions is likely to be underestimated.

⁷ Increase includes addition of new FTA partners during this period.

Table 3: Jobs Supported by Goods Exports to All Current FTA Partners 2009-2014

Partner	2009	2010	2011	2012	2013	2014
Canada	1,151,788	1,208,225	1,259,287	1,296,332	1,287,204	1,305,588
Mexico	680,055	726,529	792,687	856,499	887,569	952,849
Israel	38,966	36,731	44,855	52,427	40,720	40,864
Australia	115,650	117,546	142,697	159,281	129,748	130,703
Chile	49,191	49,605	62,395	71,849	66,016	62,531
El Salvador	12,540	13,049	16,054	14,298	13,841	14,474
Honduras	22,682	26,207	30,760	26,397	24,751	26,824
Nicaragua	4,333	5,078	5,372	5,544	5,177	5,048
Dominican Republic	34,095	36,761	37,071	34,215	33,326	36,599
Guatemala	20,101	20,686	24,061	22,906	22,069	24,001
Bahrain	3,764	6,480	5,806	5,118	4,429	4,462
Costa Rica	25,724	24,330	25,435	28,190	27,485	27,184
Oman	7,528	6,135	7,565	8,735	7,792	9,900
Peru	26,797	32,600	35,697	36,692	38,321	39,606
Singapore	116,668	134,112	136,833	127,916	123,538	124,181
Jordan	9,034	7,667	8,483	9,094	10,562	11,628
Morocco	10,133	10,940	13,761	10,290	10,031	8,181
Korea	183,644	225,012	239,059	226,553	219,267	235,244
Colombia	52,338	55,719	61,203	65,107	68,592	76,537
Panama	20,303	24,119	28,071	30,592	32,817	30,583
NAFTA	1,831,843	1,934,754	2,051,975	2,152,831	2,174,774	2,258,436
CAFTA	119,475	126,110	138,753	131,549	126,649	134,130
All FTA Partners*	2,329,048	2,462,681	2,648,818	3,057,442	3,053,256	3,166,987

*Shaded cells denote years for which a country FTA was in effect and the annual jobs supported totals are the sum of the shaded cells.